Overview.
Change in the international system is described by a series of events where an established hegemon has its power undermined by differential growth rates among states. Consequently, the hegemon’s ability to fund its dominance falls relative to the costs involved. At the same time, a rapidly rising state will see the costs of a change in the international system fall relative to the benefits. The resultant disequilibrium can only be resolved through conflict between the hegemon and the challenger, a hegemonic war. Despite the development of nuclear weapons, interdependence and ideas of global society, such a process will continue until humanity devises a method of peaceful political change.

Chapter 1.
Robert Gilpin’s aim is a description of change in international relations. To do this he proposes conceptions of the state, its role and objectives, and the nature of the international system. The state is characterized as the protector of its citizens and their property. Its objectives are to control its territory, influence other states and control the world economy in pursuit of its interests. The international system consists of a number of diverse entities, states being the principal type, in a condition of regular interaction under a "form of control".

Gilpin makes use of E. H. Carr’s argument that control within the system is supplied by those states that have the power to do so. Hence the distribution of power is one factor which determines who controls the international system. The distribution of power has historically taken three forms: imperial, bipolar or balance of power. In each form, the dominant entities organize and regulate economic and political relationships within the system. Two other factors determine control of the international system: the hierarchy of prestige and the set of basic rights and rules that govern interaction between states.

The hierarchy of prestige is analogous to authority in a domestic context. It emerges from an acceptance of the status quo among lesser powers, their desire for alliances with the major power(s), the recognition of the public goods the hegemon provides and the development of an ideology to justify the hegemon’s dominance. Ultimately, prestige is derived from economic and military power. Prestige can be thought of as the credibility of a states power and is useful in explaining how states achieve their ends without the exercise of power itself. The third factor, the set of rights and rules, involves three different areas: diplomacy, war, and all other forms of state interaction. These rules and institutions however are determined by the dominant powers in the international system.

Gilpin identifies three different forms of change in the international system. The most fundamental (and least common) form, called system change, is a change in the nature of the actors or entities that constitute the system. The second form, systemic change, involves a change in the governance of the system. The third form of change is termed interaction change, which concerns a change in the rules and rights within the system. Gilpin also distinguishes between incremental and revolutionary change. Incremental change is the more frequent, helping to maintain the international system in a state of homeostatic equilibrium. If however, a state believes it has an advantage which cannot be realized by incremental change, it may attempt more radical gains leading to revolutionary, i.e. systemic, change. Gilpin denies that this model is deterministic, since it does not claim to predict the outcome of conflict arising from disequilibrium. However he does claim that differential growth is both the cause and consequence of international political change.
Chapter 4.

Here Gilpin expands on the claims that once a hegemon is established in a state of equilibrium, the costs of maintaining its position tend to grow faster than its resources. He identifies five internal reasons why hegemons decline and two external reasons.

1. Mature societies tend to be less innovative than young ones.
2. As the cost of war increases, so do the costs of protection, while at the same time war is less acceptable to the citizens of the hegemon.
3. In affluent states consumption rises faster than the GDP, leaving less wealth for innovation and protection.
4. Mature states have economies dominated by the service sector, which grows more slowly than the agricultural or manufacturing sectors of rising states.
5. Affluent, powerful societies tend to be weakened by moral corruption and a sense of superiority.
6. The principal external reason for hegemonic decline is the rising costs of political dominance, usually due to the increase in number and power of rival states and the tendency of allies to take free rides at the hegemon’s expense.
7. Loss of economic and technological leadership. Over time hegemonic states lose their comparative advantages as technology diffuses often to states more efficient and innovative than the hegemon.

Chapter 5.

Once disequilibrium develops, the dominant power can respond by increasing its resources or reducing its commitments. It can do the former by: increasing taxes and tributes, which is politically risky; enacting inflationary policies or trade manipulation; increase its own efficiency, which is extremely difficult for a mature society. Alternatively, it can reduce its commitments by: attacking its challenger, which may lead to hegemonic war; expending its borders to a more secure position, which involves risks of over-extension; reduce its international obligations, which is politically risky, may lead to excessive costs and always damages prestige.

In most cases, disequilibrium in the international system is not resolved, and the system will change in accordance with the new distribution of power. This occurs in the form of a hegemonic war which is distinguished by the following characteristics:

1. The involvement of the hegemon and the challenging power.
2. Widespread participation among states.
3. The issue at stake is the governance of the international system.
4. Conflict is unlimited, extending to political, economic and ideological spheres, with the result that the loser undergoes profound change following defeat.
5. The means of war are (almost) unlimited.

Hegemonic wars are also marked by particular preconditions.

1. Loss of “space” between states as they come into closer contact, resources become scarce, opportunities for growth decline and inter-state clashes increase.
2. A perception among the population that some fundamental change is taking place and that time is against the hegemon.
3. The course of events begins to slip out of the human control.

Gilpin asks whether any process can prevent the regular descent into hegemonic war. He notes Carr’s suggestion that peaceful change could be accomplished by appeasement, the hegemon progressively ceding power to the challenger. The difficulty lies in matching concessions to the relative strengths of the two powers. The inability of Britain, France and
Germany to do this was one of the causes of WWII. Furthermore, while appeasement within the international system may occur, such action is far less likely to occur when the system itself is to be changed. Gilpin sums up by writing

“Disequilibrium replaces equilibrium, and the world moves toward a new round of hegemonic conflict. It has always been thus and always will be, until men either destroy themselves or learn to develop an effective mechanism of peaceful change.” p.210

Chapter 6.
In this chapter Gilpin attempts to refute the claims of some scholars that some fundamental change is occurring in the international system. He identifies three frequently cited arguments: the invention of nuclear weapons, the development of interdependence, and the advent of an international society through global consciousness and the identification of world-wide problems. He argues that these developments have done little to remove the possibility of war.

Firstly nuclear weapons have made hegemonic war more costly, but not eliminated war. Instead limited wars continue while the threat of nuclear war is made all too frequently, with the accompanying risk that things could get out of control. It is even possible that hegemonic war could take place without the use of nuclear weapons.

Second, interdependence will not bring an end to war while states are still prepared to advance their interests at the expense of others and global interests. Furthermore, levels of interdependence can have a destabilizing effect as states become increasingly concerned with a loss of autonomy, access to resources and markets and the price of interdependence. Furthermore, interdependence has done little for international equality, a result which is not likely to promote peace.

Finally, the growing consciousness of global problems (particularly the limits-to-growth) and the use of science to solve them, will not override states self-interest. Indeed the resource shortages identified by these problems will tend to bring out the worst in states. The development of technology may just make the demand for resources more acute. The idea that a unified humanity may bring an end to war fails because a unified humanity does not exist. The human race is divided by race, religion and wealth, and increasingly by nationality as state fragmentation continues.

Epilogue.
Gilpin ends by applying his theory to the contemporary (1980) United States. He finds that while the US is still the dominant power, a disequilibrium has developed, with the USSR the rising challenger, prompting the US to retreat from some commitments and demand more resources from its allies. While a state of declining hegemony exists, no new system has emerged and hegemonic war seems unlikely in the short term. This is due to the stability of the current bipolar system and the superpowers domestically. Importantly, neither side is prey to destabilizing temporal fears since both have ideologies that promise ultimate victory regardless. Ultimately the USSR will also fall victim the law of differential growth rates and need to reduce its commitments. In sum the preconditions for hegemonic war are not wholly present, and while the USSR does challenge the US, the presence of nuclear weapons and development of economic co-operation provide restraints which give grounds for optimism.